

# M&G|exposure

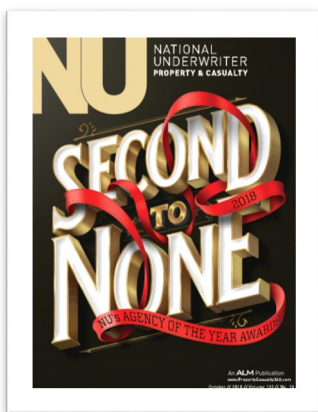
## MORRIS & GARRITANO: BEST AGENCY TO WORK FOR AND AGENCY OF THE YEAR

We are excited to announce that Morris & Garritano was recently honored with not one, but two industry awards. Click on the publication covers below to read the full articles.



For the second year in a row, M&G was named one of Insurance Journal's 'Best Agencies to Work For.' It is a true testament to the spirit of our employees that we have been able to maintain our culture while bringing in new team members and growing as an agency.

This award was based on our own employees' nominations and responses to Insurance Journal's anonymous survey about work-life balance, competitive wages and growth opportunities, community involvement, and overall job satisfaction.



Alternatively, from a client services perspective, we were recognized as one of three recipients in the nation for National Underwriter's 'Agency of the Year'. This award is based on an evaluation of our client services, claims-handling, employment of new technologies, agency marketing, and customer retention.

Thank you to our amazing employees, colleagues, and clients for trusting us to serve you and provide you with peace of mind throughout the years and for generations to come. We love what we do, and we love that we get to do it for all of YOU!

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### SPECIAL POINTS OF INTEREST

- Morris & Garritano ThinkHR
- Upcoming HR Events
- Effect of Claims on Rating
- What is an Experience Modification?
- M&G's Annual I-Day Mixer

## MORRIS & GARRITANO THINKHR

Contributed by: Louise Matheny, Human Resources Consultant

At M&G we are committed to innovative and supportive solutions to help you manage your business and avoid getting bogged down by complex compliance concerns or human resource issues.

That's why we're excited to share that we've partnered with ThinkHR – the **one call, one click**, solution to real-time expert HR and Compliance support at **no charge to you!** This new resource is a complement to the HR support you receive from Louise Matheny, M&G's HR Business Consultant.

If you're involved with employee issues, this value-added benefit will save you time and money. ThinkHR offers *ThinkHR Live* – a team of HR experts standing by to answer your questions or provide advice. This phone-based support service is available from 6:00am to 5:00pm Pacific Standard time each business day.

In addition, you'll also have access to *ThinkHR Comply* – an online resource center for all of your workforce questions and issues, and *ThinkHR Learn* – an online training platform to develop employees and help ensure compliance.

**Looking for a job description?** ThinkHR has it!

**Need to build an updated handbook?** ThinkHR's handbook builder will give you both state and federal information!

**Looking for sexual harassment prevention training?** ThinkHR offers online training for both employees and managers that include branded certificates of completion.

**Struggling to build a new Onboarding training track?** Peruse the over 200 online training courses and chat with ThinkHR experts to develop quick and easy customized training!

But don't just take our word on it, read what our clients say about ThinkHR:

*"ThinkHR has been a very valuable tool and resource for quick on the spot advice, ensuring compliance and all things HR. I am looking forward to using the Handbook development feature for our 2019 handbook this year. Excellent resource!!!"*

– Susan Ciambone, HR Director at Parentis Health

*"With over 150 employees, I work at a very fast pace and when I need to check for an updated forms, or laws, Think HR is a few clicks on my computer and there I have instant access, to easy to use forms, policies, etc. When I need to handle an issue that isn't quite as black and white, I can always count on Louise to be available to walk through the various issues and offer sound HR advice. Having Louise as a local HR consultant to talk with and ThinkHR to access forms, etc. is the total package!"*

– Alise Elias, HR Manager at San Luis Obispo Country Club

*"We love ThinkHR because the accessibility and amazing resources it provides our company. ThinkHR makes things like training extremely easy with our mixture of remote & local employees. We can easily add employees to tracks, assign trainings to employees, and run reports on the status of the trainings."*

– Alex Barker, HR Generalist at IQMS





## UPDATED FMLA FORMS ARE NOW AVAILABLE!

Contributed by: Louise Matheny, Human Resources Consultant

The federal Department of Labor (DOL) has released updated forms for managing leave under the Family and Medical Leave Act (FMLA). Employers must use the current FMLA forms, which are also available on the DOL website.

The DOL has to submit forms to the Office of Management and Budget (OMB) for review every three years. The DOL submitted the FMLA forms to the OMB in April, and requested a three-year extension of the current forms, without any changes to the substance of the forms. The OMB did not approve the new forms before the June 30, 2018 expiration date, so the expiration dates were automatically extended every 30 days, pending OMB approval.

The OMB recently approved the forms, which now have an expiration date of August 31, 2021. Employers should ensure they are using these current forms.

*Note:* California employers you should not use the DOL medical certification forms when your employees take leave under the FMLA and/or the California Family Rights Act (CFRA). The federal medical certification forms request medical information, which is not allowed under California law.

Morris and Garritano clients can view information about CFRA on ThinkHR, under Compliance. Simply type "CFRA" in the search bar and you will find detailed information along with additional resources on the left side of the page. If you need assistance or have any questions, please contact Louise Matheny, HR Business Consultant at [lmatheny@morrisgarritano.com](mailto:lmatheny@morrisgarritano.com).

## UPDATED FCRA FORM FOR BACKGROUND CHECKS MUST BE USED AS OF SEPTEMBER 21

Contributed by: Louise Matheny, Human Resources Consultant

The federal Bureau of Consumer Financial Protection recently released an updated version of the Summary of Rights notice required by the federal Fair Credit Reporting Act (FCRA). As of **September 21, 2018**, employers must use this new version.

The updated "[A Summary of Your Rights Under the Fair Credit Reporting Act](#)" notice now includes a notice to consumers about their right to request a security freeze on their credit reports.

This update stems from the Economic Growth, Regulatory Relief, and Consumer Protection Act that was passed by Congress in May 2018. The Act requires consumer reporting agencies to provide consumers with free "national security freezes," which restricts prospective lenders from obtaining access to a consumer's credit report, thus making it more difficult for identity thieves to open accounts in the consumer's name. The Act also requires that consumers receive a notice regarding the new security freeze right in the Summary of Rights notice required by the FCRA.

It is important that employers running background checks on employees or applicants confirm they are using the new version of the Summary of Rights Under the Fair Credit Reporting Act notice.

*Para información en español, visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) o escriba a la Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.*

### A Summary of Your Rights Under the Fair Credit Reporting Act

The federal Fair Credit Reporting Act (FCRA) promotes the accuracy, fairness, and privacy of information in the files of consumer reporting agencies. There are many types of consumer reporting agencies, including credit bureaus and specialty agencies (such as agencies that sell information about check writing histories, medical records, and rental history records). Here is a summary of your major rights under the FCRA. **For more information, including information about additional rights, go to [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) or write to: Consumer Financial Protection Bureau, 1700 G Street N.W., Washington, DC 20552.**

- **You must be told if information in your file has been used against you.** Anyone who uses a credit report or another type of consumer report to deny your application for credit, insurance, or employment – or to take another adverse action against you – must tell you, and must give you the name, address, and phone number of the agency that provided the information.
- **You have the right to know what is in your file.** You may request and obtain all the information about you in the files of a consumer reporting agency (your "file disclosure"). You will be required to provide proper identification, which may include your Social Security number. In many cases, the disclosure will be free. You are entitled to a free file disclosure if:
  - a person has taken adverse action against you because of information in your credit report;
  - you are the victim of identity theft and place a fraud alert in your file;
  - your file contains inaccurate information as a result of fraud;
  - you are on public assistance;
  - you are unemployed but expect to apply for employment within 60 days.

In addition, all consumers are entitled to one free disclosure every 12 months upon request from each nationwide credit bureau and from nationwide specialty consumer reporting agencies. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for additional information.

- **You have the right to ask for a credit score.** Credit scores are numerical summaries of your credit-worthiness based on information from credit bureaus. You may request a credit score from consumer reporting agencies that create scores or distribute scores used in residential real property loans, but you will have to pay for it. In some mortgage transactions, you will receive credit score information for free from the mortgage lender.
- **You have the right to dispute incomplete or inaccurate information.** If you identify information in your file that is incomplete or inaccurate, and report it to the consumer reporting agency, the agency must investigate unless your dispute is frivolous. See [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for an explanation of dispute procedures.

## UPCOMING EVENTS AND SEMINARS

Contributed by: Louise Matheny, Human Resources Consultant

### Hiring to Firing: Tips for Effective Onboarding, Evaluation and Termination

San Luis Obispo EAC invites you to join the discussion. Topics include:

- New hiring restrictions effective in 2018
- Job postings, advertisements, applications, references and background checks
- Interview questions to ask (and not to ask)
- Offer letters and employment agreements
- Revoking a job offer
- Performance, discipline and termination

**Friday, October 26, 2018**

8:30am – 12:00pm

Paso Robles Inn, Ballroom

1103 Spring St., Paso Robles, CA 93446

**Presenter:** Karen L. Gabler, Esq., an employment law attorney with LightGabler in Camarillo.

**Registration:** [Click here to register](#) or complete [this form](#) and email to [jwhitworth@slpsjobs.com](mailto:jwhitworth@slpsjobs.com)

**Cost:** \$35



### First Aid / CPR Certification Training

This class meets or exceeds OSHA guidelines for the workplace and focuses on Construction Injury first aid for related injuries. Certification lasts for 2 years.

**Tuesday, November 6, 2018**

8:30am – 12:30pm

SLO County Builders Exchange

153 Cross St., SLO, CA 93401

**Registration:** Complete [this form](#) and email to [planroom@slocbe.com](mailto:planroom@slocbe.com) for fax to: 805-543-7016



### Annual Employment Law Updates

Your People Professionals will be hosting their annual breakfast and comprehensive program on employment law developments at the Santa Maria Country Club. Their goal is to help you stay current to best protect your company against employment-related liability. Jeff Dinkin of the Stradling Law Firm will be presenting with his entertaining style as he provides substantive information.

This is a great chance to test your knowledge in core HR areas, including wage & hour, sick leave, and workers' comp. The winning team will get some fun prizes!

Don't miss this up-to-the-minute information on the ever-changing regulations governing California HR, with time to make preparations for the new year.

**Thursday, November 15, 2018**

7:15am – 11:00am

Santa Maria Country Club

505 W. Waller Lane, Santa Maria, CA 93455

**Presenter:** Jeff Dinkin, Chairman of Employment Law Practice Group at Stradling Law Firm

**Registration:** [Click here to register](#)

**Fees:** \$50





## SOMETIMES YOU CAN'T WAIT!

Contributed by: Brandy Hugo, Employee Benefits Assistant Claims Manager

Does a cold have you stuck in bed? Can't make it to your doctor's office? Doctor doesn't have availability?

Many insurance carriers now offer telemedicine as an alternative to visiting a doctor's office or urgent care because the industry is realizing sometimes you just can't wait for the next available appointment for non-emergencies.

Most carriers allow enrollees to receive care and treatment with online or telephone access to providers for minor urgent problems not requiring a hands-on exam, testing, or x-rays. The majority of these services are available 24 hours a day 7 day a week, and may even be available while traveling throughout the United States. The cost for these services vary depending on your plan type, so be sure to consult your plan documents for details. These services are not intended to be used in the event of an emergency and you should continue to utilize 911 for emergency services.

Carrier	Provider	Website	Phone Number
<b>Aetna</b>	Teledoc 24/7/365	<a href="https://member.teladoc.com/Aetna">https://member.teladoc.com/Aetna</a>	(800) 835-2362
<b>Blue Cross</b>	LiveHealth Online	<a href="http://www.livehealthonline.com">www.livehealthonline.com</a>	(888) 548-3432
<b>Blue Shield</b>	Teledoc 24/7/365	<a href="https://member.teladoc.com/bsc">https://member.teladoc.com/bsc</a>	(800) 835-2362
<b>Cigna</b>	American Well	<a href="https://amwellforcigna.com">https://amwellforcigna.com</a>	(855) 667-9722
	MDLive	<a href="https://www.mdliveforcigna.com">https://www.mdliveforcigna.com</a>	(888) 726-3171
<b>Humana</b>	HumanaFirst Nurse Advice Line	N/A	(800) 622-9529
<b>Kaiser</b>	Nurse Advice Line	N/A	(866) 454-8855
<b>United Agriculture Benefit Trust</b>	Teledoc 24/7/365	<a href="https://teladoc.com">https://teladoc.com</a>	(800) 835-2362
<b>United Healthcare</b>	Dr on Demand	<a href="https://doctorondemand.com">https://doctorondemand.com</a>	(800) 997-6196
	American Well	<a href="https://amwell.com">https://amwell.com</a>	(844) 733-3627



## HOW SHOULD EMPLOYERS RESPOND TO LETTERS FROM COVERED CALIFORNIA

Contributed by: Keith Dunlop, Director of Compliance and HR

Many of our clients are receiving a notice from Covered California called, “*Important Information about Your Employee’s Health Insurance Coverage through Covered California.*” This article will discuss the purpose for this notice and what employers should do upon receipt.

### What Does the Notice Mean?

When any of your employees enroll in a qualified health plan through Covered California and are determined to be eligible for a premium tax credit (PTC), the Marketplace is required by law to issue this notice to employers. Page three (3) of the notice lists the names of employees that are eligible for a PTC.

### Why is the Notice Important?

Applicable Large Employers (ALE) – those with 50 or more full-time and full-time-equivalent employees – are subject to the Affordable Care Act’s (ACA) employer mandate and must offer health care coverage to their full-time employees who average at least 130 hours of service each month, and to their dependent children. The health coverage offered must meet the ACA’s affordability and minimum value standards.

*ALEs may be subject to a **penalty** if at least one of its full-time employees receive a PTC for purchasing their health coverage through Covered California.*

If the employer receiving this notice is an ALE, and the employee(s) listed are determined to be full-time under the ACA and were not offered employer-sponsored coverage, the IRS may determine that you are subject to a penalty.

### What are Your Rights?

If you believe there has been a mistake regarding your employee’s eligibility for a PTC, you may file an appeal with Covered California. There are three (3) reasons, to base an appeal:

- The employee was enrolled in employer-sponsored coverage.
- The employee was offered affordable employer-sponsored coverage which met the minimal value standard.
- The employee was eligible for affordable employer-sponsored coverage after the end of a waiting period.

If the employee was not eligible for an offer of coverage (e.g. a part-time employee), or was eligible but not offered coverage, there is no basis to appeal the notice.

*For more information about the employer appeal process, visit:*

<https://www.healthcare.gov/marketplace-appeals/employer-appeals/>

*To download the employer appeal request form, visit:*

<https://www.healthcare.gov/marketplace-appeals/appeal-forms/>





## EFFECT OF CLAIMS ON RATING

### Question:

What effect will filing a claim have on my insurance rates?

### Answer:

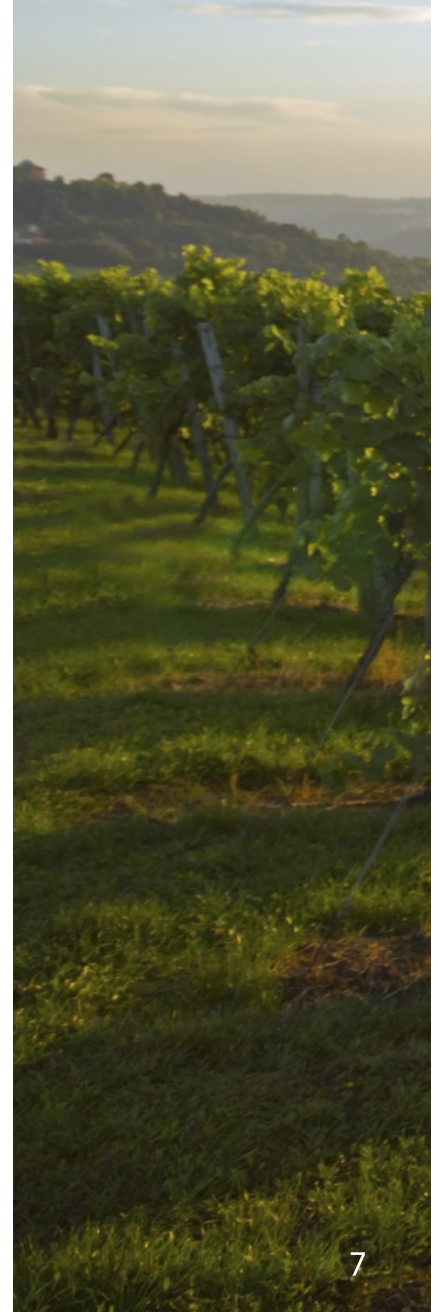
Unfortunately, it's difficult for us to comment on how filing a claim will affect either rates or the availability of coverage. Every carrier handles claims a little differently, and companies don't generally make their rating algorithms public.

The frequency with which you report claims is usually taken into consideration, as is the size (dollar amount) of each claim, and whether you're found "at fault" for the loss. Other factors, such as the type of loss, the age of your building, and your industry/occupation can also have an impact on the company's rating decisions. However, unless your carrier happens to use either a specific claims-free discount or a claims surcharge, it's nearly impossible to say exactly how much a particular claim will impact your rates.

Regardless of your specific loss experience, certain rates such as commercial auto, have been on the rise due to an increase in claims frequency and severity state wide. If you've got a small, first-party property claim that will only exceed your deductible by a few hundred dollars, you may want to think twice about turning in a claim. The same goes for minor auto accidents in which the only damage is to your own vehicle.

However, it's important to balance your instinct to protect your loss history with your duty to report claims promptly. If a claim initially looks small at the outset, and you decide not to report it, you may be out of luck if you try to file a claim for the loss at some point in the future. Along those same lines, every liability claim, no matter how minor, really should be run through insurance. These kinds of claims often go sideways, and it's not worth the hassle – or the risk of voiding your coverage – just to save a few bucks on your renewal. Your insurance is designed to help in times of need, and reporting a claim promptly is one of the most important actions you can take to protect your rights under the policy.

If you're ever faced with a potential claims situation, and can't decide whether to turn it in, please give our Claims Advocate, Heather Ross, a call. She'll be happy to help you explore your options for moving forward.



# INDOOR HEAT ILLNESS: WHAT TO LOOK FOR AND HOW TO PREVENT IT

Contributed by: Michael Schedler, Loss Control Analyst

Even though we are starting to see some lower temperatures outside, did you know there are still heat-related hazards for indoor workers?

Through the course of a work day, many factories and warehouses can exceed temperatures of 80 degrees – the point at which Cal/OSHA's heat illness standards come into effect. Even some offices can reach 80 degrees if the air conditioning has gone out.

In an office setting, where excessive heat is uncommon, the solutions for handling the heat are fairly simple: relocate employees to a cooler area, give them the option to work from home, or simply let them leave work early.

However, in industries where high temperatures are more likely, it is important to identify common heat hazards, heat-related illnesses, and develop solutions to control or reduce the heat.

## Heat Hazards

- High air temperature (80 degrees or above) or humidity (60% or higher)
- Poor air circulation
- Radiant heat sources (ovens, furnaces, etc.)
- Not enough cool drinking water
- Heavy personal protective equipment (PPE)
- General physical labor and movement

## Heat-Related Illness

- Heat Rash: intense itchy skin, swollen due to overheating
- Heat Cramps: painful muscle cramps, usually in legs or stomach, caused by losing too much salt while sweating
- Heat Exhaustion: person becomes tired, weak, and dizzy due to water and salt loss
- Heat Stroke: life-threatening condition when the body temperature exceeds 105 degrees

## Heat Solutions

- Add air conditioning, cooling fans, or increase general ventilation
- Insulate or shield hot pipes and equipment
- Provide tools/equipment that limit physical exertion and make work easier (conveyors, lifting hoists, etc.)
- Coordinate worker schedules to reduce their continued exposure to heat sources
- Encourage employees to drink plenty of cool water and remove PPE during breaks

Your Injury and Illness Prevention Program should include specific steps to deal with high heat. In fact, Cal/OSHA is required to draft and propose heat illness and injury prevention standards for indoor worksites by January 1, 2019. As stated under Labor Code 6720:

*"By January 1, 2019, the division shall propose to the standards board for the board's review and adoption a standard that minimizes heat-related illness and injury among workers working in indoor places of employment. The standard shall be based on environmental temperatures, work activity levels, and other factors.*

*This regulation applies to (1) indoor places of employment where the dry bulb temperature exceeds 90 degrees or (2) where employees perform moderate, heavy, or very heavy work and the dry bulb temperature exceeds 80 degrees. [Additionally, the standards] would evaluate what type of clothing employees are wearing."*

Indoor heat can be just as dangerous as outdoor heat. Proper training, preparation, and an emergency response plan are necessary for keeping workers safe.



## WARRANTIES...PROTECTING THE SAFEGUARDS THAT PROTECT YOU

Contributed by: Gary Dee, Commercial Risk Advisor

When you buy consumer products, cars, appliances, electronics, etc., you have the choice to purchase a warranty. With insurance policies, on the other hand, that choice isn't up to you – a warranty endorsement might just be part of the deal and you are required to abide by it or your coverage may be compromised.



Insurance companies want to make sure your protective safeguards are in place, operational, and maintained. For those reasons, these warranty endorsements are placed on property policies and can exclude coverage in certain scenarios. Some examples of warranties that may be on your policy are:

- Automatic dry or wet chemical extinguishing systems protecting all cooking surfaces
- Burglary and robbery protective safeguards
- Automatic fire sprinkler systems safeguards

These protective safeguard endorsements can exclude loss or damage caused by or resulting from fire or other harmful events if, prior to the occurrence, the insured:

1. Knew of any suspension or impairment in the applicable protective safeguard and failed to notify their risk advisor of that fact, or
2. Failed to maintain in complete working order any applicable protective safeguard over which they had control

It is incumbent upon the policy holder to adhere to any warranty on their policy and communicate any issues with the protective safeguards through their Risk Advisor agent.

Be specific with your Risk Advisor when going over the types of protective safeguards you have and how they are monitored so they can ensure you and your business are properly covered.

## WHAT IS AN EXPERIENCE MODIFICATION?

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

The WCIRB's (Workers' Compensation Insurance Rating Bureau) definition is:

*"A rating procedure utilizing **past insurance experience** of the individual policyholder to **forecast future losses** by measuring the policyholder's loss experience against the loss experience of **policyholders in the same classification** to produce a prospective premium credit, debit, or unity modification."*

### What does that mean?

We like to say that the experience modification worksheet is your "report card" of your safety program or safety culture.

The data included on your worksheet is 3 years of history. For example, the 2018 experience modification worksheet will use data for policy periods 2016-2017, 2015-2016, and 2014-2015. Both the Final Audited payroll and the losses for each applicable policy period are used.

An experience modification is expressed as a percentage:

- Less than 100%, or "credit mod", means the employer has better than average loss history
- More than 100%, or "debit mod", means the employer has worse than average loss history

WC carriers will include the experience modification worksheet as part of their underwriting process when determining premium quotes.

### What should you do?

Always review your worksheet thoroughly. If you find any errors or have questions, contact your Broker for assistance.

## M&G'S ANNUAL I-DAY MIXER

Contributed by: Sara Holloway, Marketing Coordinator

We hosted yet another successful I-Day Mixer earlier this month full of good food, good drinks, and good conversation.

We would like to extend a special thank you to all of our carriers who make the trek from across the state - near and far - to come out to enjoy the evening with us. We value your partnership and appreciate you for continually making this event a success!



## MORRIS & GARRITANO INSURANCE

With a tradition of excellence in insurance services since 1885, we offer all lines of business and personal coverage with a staff of over 120 professionals.

Our monthly newsletter is where you can find informative articles relating to the Commercial Lines and Employee Benefits industries.

For day-to-day updates and more information about our community and our company, follow us on Facebook, Twitter, Instagram, or LinkedIn. Visit our website, or check us out on Yelp!

Please contact us for more information or questions on anything mentioned in this newsletter.

