

M&G|exposure

HELP SUPPORT SLO FOOD BANK'S HUNGER AWARENESS DAY ON JUNE 7TH

Hunger Awareness Day (HAD) is a countywide event to inform our community about hunger in SLO County and to raise funds to help food insecure seniors, children, and working families.

On Friday, June 7th we invite you to join in our efforts to raise funds to support the Food Bank Coalition and its 77 non-profit partners! Your participation is vital to help the 1 in 6 residents of SLO County who are food insecure.

The Morris & Garritano office (1122 Laurel Lane) will be an official donation collection location. You can swing through our parking lot anytime between 7:45 am and 1:00pm on June 7th to drop off a financial donation. Just look for the signs, the balloons, and our team of excited volunteers!

If you can't make it to the M&G office, there are numerous other donation locations throughout the county, or you can make a donation online at slofoodbank.org.



INSIDE THIS ISSUE

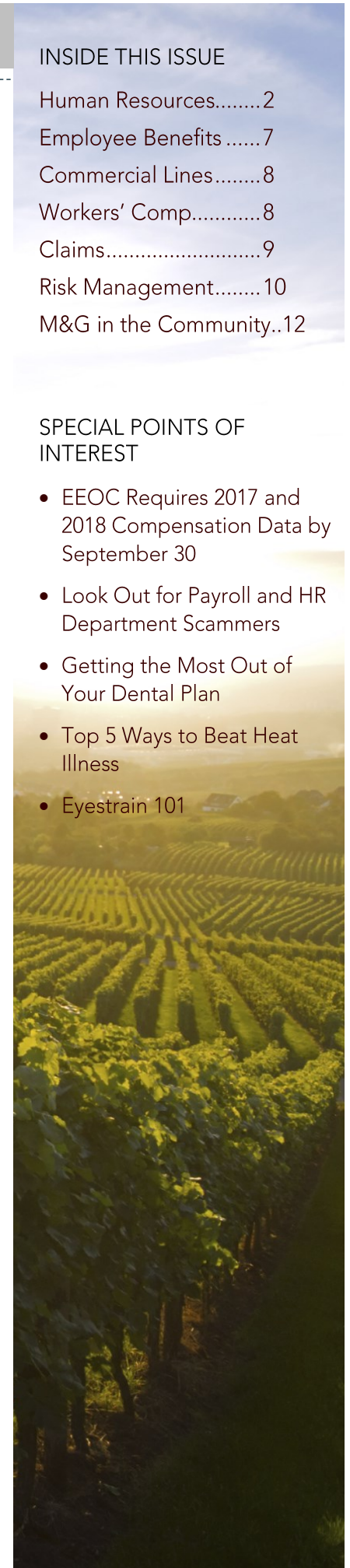
Human Resources.....	2
Employee Benefits	7
Commercial Lines.....	8
Workers' Comp.....	8
Claims.....	9
Risk Management.....	10
M&G in the Community..	12

SPECIAL POINTS OF INTEREST

- EEOC Requires 2017 and 2018 Compensation Data by September 30
- Look Out for Payroll and HR Department Scammers
- Getting the Most Out of Your Dental Plan
- Top 5 Ways to Beat Heat Illness
- Eyestrain 101

SLO FOOD BANK FACTS

- The Food Bank Coalition of SLO County distributes healthy nutritious food to 30,000 individuals every month including working families, seniors, and children.
- The Food Bank Coalition of SLO County provides the backbone infrastructure to purchase and store produce and shelf stable product at scale. This makes it economically feasible for 77 nonprofit partners to utilize the Food Bank Coalition as their primary resource for food.
- Every single community in the county receives fresh produce and groceries on a monthly basis through direct distributions of the Food Bank Coalition and those of our agency partners.
- Your donation to the Food Bank Coalition leverages the support of 3,750 volunteers who work in our warehouse, with our GleanSLO program, in grocery rescue, nutritional education outreach, and community distributions. We Feed SLO County!



EEOC REQUIRES 2017 AND 2018 COMPENSATION DATA BY SEPTEMBER 30

Contributed by: Louise Matheny, Human Resources Consultant

Recently, Federal Judge Tonya Chutkan ordered the Equal Employment Opportunity Commission (EEOC) to collect employee compensation data – sorted by race, ethnicity, and sex – by September 30, 2019.

A statement from the EEOC says:

Notice of Immediate Reinstatement of Revised EEO-1: Pay Data Collection for Calendar Years 2017 and 2018

EEO-1 filers should begin preparing to submit Component 2 data for calendar year 2017, in addition to data for calendar year 2018, by September 30, 2019, in light of the court's recent decision in *National Women's Law Center, et al., v. Office of Management and Budget, et al.*, Civil Action No. 17-cv-2458 (D.D.C.). The EEOC expects to begin collecting EEO-1 Component 2 data for calendar years 2017 and 2018 in mid-July, 2019, and will notify filers of the precise date the survey will open as soon as it is available.

Filers should continue to use the currently open EEO-1 portal to submit Component 1 data from 2018 by May 31, 2019.

The EEOC expects the portal for submission of EEO-1 compensation data to be open mid-July and, according to documents filed with the court, will provide information and training to employers prior to that date.

TRUMP ANNOUNCES PLAN TO COMBAT SURPRISE MEDICAL BILLING

Contributed by: Louise Matheny, Human Resources Consultant

On May 9, 2019, President Donald Trump delivered a speech criticizing the practice of surprise medical billing. He announced a general plan of attack and hinted at a few specifics for curbing the trend.

The president's speech aligned with this administration's [American Patients First](#) initiative—a blueprint for lowering consumer health costs. Here are the four main regulatory aspects called out by the president, suggesting that they might be tackled first:

- In emergency situations, patients shouldn't have to "bear the burden" of out-of-network costs.
- Balanced billing should be prohibited for emergency care.
- For scheduled nonemergency care, patients should receive an "honest" bill up front—including an itemized list of out-of-pocket expenses the patient must cover.
- Patients should not receive a surprise bill from out-of-network providers they did not choose themselves.

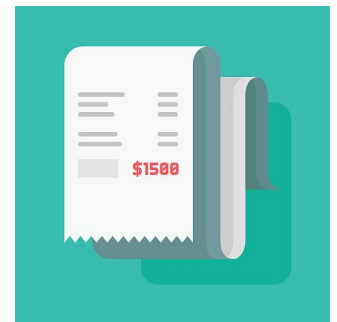
President Trump went on to state that any legislation would cover all health insurance, regardless of how it was acquired. This means individual and group coverage would still be afforded these protections.

In summary, this announcement keeps with this administration's commitment to lowering consumer health care costs through greater transparency.

The president ended the speech saying that the administration will be going even further to help curb "out-of-control" drug costs. He even hinted at future legislation that would be announced as soon as two weeks, touting it as "one of the strongest things we've done as an administration."

This means employers should stay tuned for more developments as further price-lowering initiatives are unveiled and plan specifics are laid out.

If you or your employees happen to receive a surprise medical bill, you are not alone. You can learn more about what to do in these situations by [reading this supplemental article](#).



UPCOMING SEMINARS

Contributed by: Louise Matheny, Human Resources Consultant

Know Your Rights and Understand Your Responsibilities: Workers' Compensation Presented by the San Luis Obispo Employer Advisory Council

Friday, May 31, 2019

8:00am - 12:00pm

Paso Robles Inn Ballroom

1103 Spring Street, Paso Robles, CA 93446

Presenters:

Michael Schedler, Safety Risk Manager
Morris & Garritano

Mary Jean Collins, Workers' Compensation Claims Analyst
Morris & Garritano

Darrin Stephens, Safety Consultant with
Cal/OSHA Consultation Services

Topics to be covered include:

- How Cal/OSHA Consultation service helps employers.
- When there is an injury, what is the process, what forms do you need to complete and in what order? When to report injury/incident to Cal/OSHA.
- What to do if you feel an employee's workers' compensation claim is questionable.
- Best practices employers can incorporate to reduce and/or minimize employee injuries.
- What are the rules associated with modified duty? As an employer, why should you consider or not consider modified duty and what is the proper way to manage modified duty.
- Can you pay for a claim out of pocket rather than submitting it to your carrier?
- What is an IIPP and MIPP?
- What is the legal definition of first aid? What is an MPN?
- Experience modification – what is it, why are they used, and how is it calculated.
- Developing a partnership with your workers' compensation carrier and why it's important.

Registration: [Register Online](#) or fill out [this form](#) and send by mail.

Fees: \$40 (includes seminar materials and breakfast)





Image: macrovector

LOOK OUT FOR PAYROLL AND HR DEPARTMENT SCAMMERS

Contributed by: Louise Matheny, Human Resources Consultant

We all know that it is important to protect our own personal data and identification – but scammers are hoping you aren't as vigilant when dealing with your employee's information. Payroll and HR departments are becoming popular targets with criminals hoping to gather access to employee money or identities.

Direct Deposit Scam

In this scenario, the scammer will pose as an employee, spoofing an email address and sending an email to the company's payroll/HR department requesting they change the account for the established direct deposit. More often than not, these emails will contain grammatical or spelling errors that might trigger email spam filters. However, as scammers become more sophisticated, it could become harder to spot a scam simply from the message format.

CalChamber Assistant Director of Finance, Kurt Barneson, cautions, "My best tip is to get to know your employees and communicate with them regularly, as they will often come to you directly for changes like direct deposits if you know them well. However, if that is not practicable, always be sure to communicate via known communication channels, rather than replying to messages received, especially when banking and employment data are involved."

Rather than relying solely on email, a quick phone call or in-person conversation could verify the request.

Form W-2 Scam

For this scam, the criminal impersonates a high-level company executive or other authoritative position rather than an employee. They then send an email to payroll or HR requesting copies of the W-2 forms for the company's employees. Since W-2 forms contain a plethora of private information, scammers can file fraudulent tax returns or sell the information to the highest bidder.

If You Fell for a Scam

It is important to notify the IRS immediately if you end up falling for a Form W-2. Follow these steps:

- Email dataloss@irs.gov with the subject line, "W2 Data Loss."
- Include in the email:

○ Business name	○ Contact phone number
○ Business employer identification number (EIN)	○ Summary of how the data loss occurred
○ Contact name	○ Volume of employees impacted
- Do not attach any employee personally identifiable information data.

You can also email the Federation of Tax Administration at StateAlert@taxadmin.org to get information on reporting victim information to the states.

The FBI also has the [Internet Crime Complaint Center \(IC3\)](https://www.fbi.gov/interneet-crime-complaint-center), where you can file a complaint if you feel you have been the victim of an internet crime.

Continued on Page 5

LOOK OUT FOR PAYROLL AND HR DEPARTMENT SCAMMERS (CONTD)

Contributed by: Louise Matheny, Human Resources Consultant

If You Received a Scamming Attempt, but Didn't Fall for It

To help prevent other business from being scammed, the IRS set up a specific process for employers to send the W-2 phishing emails.

- Save the phishing email as an email file.
- Open a new email, attach the phishing email file, and send it to phishing@irs.gov with the subject line, "W2 Scam."
Note: Don't just forward the email to the IRS — they need the email header from the phishing email.
- Additionally, you should file a complaint with the IC3.

Best Practices

- Call or visit with your employee in person to verify a request before processing any payroll change.
- Limit the number of employees who handle Form W-2 requests.
- Establish additional verification procedures to validate a request before emailing sensitive data.
- If you suspect an email is a scam, don't reply directly to it.
- If you are the target of a scam, share details with your other administrative teams so they can be on the lookout for similar fraud.

"Our company has been using the Think HR product to help us streamline policies and update our employee handbook this year, which we have found very helpful and valuable. Now they've added free training for the required California Harassment compliance and we couldn't be happier. This training for our employees will save us several thousand dollars in 2019!"

– Laurie Fiori, Cookie Crock Markets

THINKHR UPDATE: SPANISH VERSION OF HARASSMENT PREVENTION TRAINING VIDEO NOW AVAILABLE

Contributed by: Louise Matheny, Human Resources Consultant

We are happy to announce the release of the Spanish version of the one-hour harassment prevention training video for employees, [Prevención del acoso en el lugar de trabajo para empleados, Estado de California \(SB 1343\)](#).

As you are aware, California made substantial changes to the mandatory sexual harassment prevention training with SB 1343 which requires employers with five or more employees to provide this training to all supervisors and employees by January 1, 2020. Training must take place within six months of hire or promotion and every two years thereafter, and beginning January 1, 2020, seasonal and temporary employees must be trained within 30 calendar days after their hire date or within 100 hours worked, whichever occurs first.

As a Morris and Garritano client this training is available to you for FREE!

The two-hour course for managers/supervisors is called Workplace Harassment Prevention for Managers in California (AB1825/2053/SB 1343), Connecticut & Maine and the one-hour training for employees is called Workplace Harassment Prevention for Employees, State of California (SB 1343).

If you would like more information about ThinkHR or need assistance enrolling your employees for this training, please contact Louise Matheny, HR Business Consultant, at 805-597-6365.

CASE STUDY: “DISCOURAGING” EMPLOYEES FROM LEAVING THE WORKPLACE DURING MEAL BREAKS

Contributed by: Louise Matheny, Human Resources Consultant

California law requires that an employer provide their employees an uninterrupted, 30-minute meal break in which the employee is relieved of all duty, can come and go as they please, and are not impeded on or discouraged from taking their meal break.

A recent federal district court ruling (*Chelsea Hamilton et al. v. Wal-Mart Stores, Inc. et al* (Case No. 5:17-cv-01415-AB-KK) has highlighted the “discouragement” factor. In this case, the jury awarded workers \$6 million in meal break penalties due to the policies Wal-Mart had in place that discouraged employees from leaving the premises for their meal break.

At a Chino based e-commerce fulfillment center, Walmart employees are required to pass through security checkpoints when exiting the building. According to workers, the act of having their belonging scanned, stepping through a metal detector, and showing their phone screen to the asset protection personnel each time they left the building discouraged them from leaving the premises during meal breaks (“Meal Period Discouragement Theory”).

While the initial claim noted three violations, only the “Meal Place Discouragement Theory” was taken to trial.

1. “Off-the-Clock Theory” because workers weren’t paid for the time they spent walking to the checkpoint and standing in line to pass through security after they had clocked out.
2. “Meal Period Interruption Theory” because workers were required to clock out prior to passing through security, meaning the time spent at the checkpoint impeded on their 30-minute meal break.
3. “Meal Period Discouragement Theory” because it discouraged workers from leaving the premises during their meal break.

At trial, one employee testified that passing through the security checkpoint was “humiliating” and that they “felt like a criminal being required to pass through a metal detector.” Another employee testified that she didn’t leave the building during her meal break because it was too much of a hassle to deal with the screenings.

Even though the security checkpoints didn’t actually prevent workers from taking their breaks, the jury still found in favor of the plaintiffs and that the approximately 5,000 workers were owed 452,491 meal period premiums, totally \$6,001,559.

What can we learn from this case study?

- As an employer, it is in your best interest to encourage employees to take their meal breaks away from the office/work place.
- Regularly audit your workplace for wage and hour compliance.
- Consider your timekeeping systems – where they are placed or whether a remote timekeeping system makes sense for your business.



Image: rawpixel.com



We know that Employee Benefits can be an overwhelming topic—both for HR Administrators and for your employees. To help shed some light on the subject, each month we will provide you with helpful tips, tricks, and education that you can pass along to your employees.

GETTING THE MOST OUT OF YOUR DENTAL PLAN

Contributed by: Luzette Graves, Medical Case Manager

Dental plans are structured differently from Medical plans in several important ways:

How much does a dental plan cover annually?

Medical plans cover 100% of covered in-network benefits once you pay your calendar year out-of-pocket Maximum. However, you pay 100% of all dental services once your dental plan has paid the Annual Maximum allowed. Dental Annual Maximums vary from \$500 to \$4,000 per year so it's important to know what your Annual Maximum is and how much of it is still available when considering accessing services.

Tracking Your Annual Maximum

The easiest way to track your dental services and keep an eye on your annual maximum is to set up an account on your dental carrier's website. If you need help getting this done, please contact our Advocacy Services at 855.662.1029.

Pre-Authorization, Estimates & Pre-Determination – why is this is important?

Pre-Authorization of certain services is required on Medical plans. On Dental plans, pre-authorization is never required. However, the only way to know in advance whether a high-ticket dental service will be covered on your plan and how much you will owe for that service is to obtain a Pre-Determination from your dental carrier. Ask your dentist to submit a request for pre-determination to your dental insurance. Be aware that an estimate from your dentist is not a Pre-Determination. Estimates *do not* guarantee that the service will be covered nor the amount you will pay for the services.

Best Coverage for Expensive Services

If you need a service that costs more than your Annual Maximum and the service is not urgent, consider scheduling the first portion of the treatment in one calendar year (December) and the rest of it in the next calendar year (January) so that you can take advantage of two annual maximums to better cover these services.

Preventive Services

Regular preventive dental cleanings and check-ups are usually covered at 100%, twice a year. However, periodontal cleanings are not covered under preventive benefits. They are covered under Basic Benefits, so you will have some financial liability for these services. To find out how much you will owe, check the Basic Benefit category on your plan.

STEPS TO PROTECTING A STARTUP

Contributed by: Adam Peterson, Commercial Risk Advisor

Startups are alive and well in today's business world. And why shouldn't they be? They are new, innovative, and exciting. But, during the excitement of building traction and surviving the first couple of years, business owners rarely think about protecting the very thing that they are pouring their lives into. Luckily, there are steps to take beyond insurance to help your business survive.

1. Establish action plans.

Just like practicing a fire drill in school, you need to know what your business will do in an emergency situation. Have a plan of action and then practice it.

2. Back up vital information.

Many of today's startups rely heavily on technology. It only makes sense to protect your most valuable asset. Protect essential documents and vital information by backing them up ahead of time. Your physical building is rarely essential to a business, but many companies can't function without client or customer information or certain documentations of business history.

3. Look out for potential issues ahead of time.

Being proactive is far more cost effective than being reactive. If you have a building, inspect it for potential hazards. If you have troublesome employees, communicate with them before a problem surfaces.

4. Protect yourself with basic insurance coverage.

All that being said, insurance is still a crucial part of owning and running a business. Luckily, there are plenty of insurance solutions out there to fit every business need. Consult with your broker or agent to determine the right fit for you and reassess as you grow and evolve.

WHAT WC MATERIAL SHOULD I HAVE IN MY NEW HIRE PACKETS?

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

It is required that you provide the Time Of Hire Pamphlet or a Facts About Workers' Compensation Tri-Fold (Blue) Pamphlet in your New Hire Packets. In the pamphlet, it describes what workers' compensation is and how it is used. The pamphlet also includes Predesignation of Personal Physician and Predesignation of Personal Chiropractor or Personal Acupuncturist forms. In regards to these forms, you are only required to distribute them, not monitor the receipt of returned forms. It should be noted that the predesignation form needs to be completed *before* a work related injury occurs.

If an employee does predesignate a physician, it is best to place the form in their employee file in the event of an injury. It is recommended that for treatment of an injury, you refer the injured employee to your designated MPN Urgent Care for the initial assessment. By doing so, the employee's injury will be attended to faster than if they were to wait for an appointment with their selected physician. The employee will then be eligible to transfer their care to their previously selected predesignated provider.

Be sure to complete the Employer Sections in the Time Of Hire Pamphlet with your updated WC policy information. You can find this information on your current WC Poster (DWC-7). Please note that your WC carrier may change at renewal which will change the WC Poster information.



**Facts About
Workers'
Compensation**

WHAT IS MEDICAL PAYMENTS COVERAGE IN A GENERAL LIABILITY POLICY?

Contributed by: Contributed by: Heather Ross, Claims Advocate

If you allow guests on your property, there is always a risk that someone could get hurt. For example, a visitor to your office may trip while going up or down a staircase, spraining their ankle or bumping their head. Perhaps a customer's child trips, falls, and breaks an arm while playing tag with a sibling out on your restaurant's patio. Or maybe a guest at your hotel slips while getting out of the pool.

In all these cases, it's not necessarily clear that you were in any way responsible for the injury. This is when Medical Payments coverage can step in and help.

Medical Payments coverage is usually included in standard General Liability policies. It covers an injured person's medical expenses regardless of whether you are responsible for the injury – in other words, it's a "no fault" coverage. Medical Payments coverage will pay reasonable expenses for first aid administered at the time of the accident. It also covers necessary medical, surgical, and dental expenses, including ambulance and hospital costs.

Medical Payments coverage addresses expenses for injuries caused by an accident that either occurs on your property or in an area immediately adjacent to your property. It can also cover expenses for an injury that takes place off-premises if the accident occurs because of your operations. However, it won't pay for injuries to any of the following people:

- Anyone who qualifies as an insured under your policy (except volunteer workers)
- Anyone hired by you
- Anyone who normally occupies the premises
- Anyone whose injuries are covered by workers compensation
- Anyone who is injured while participating in athletic activities

The insurance company's ability to offer these goodwill payments can have two beneficial effects. First, it can reduce the overall expense associated with the injury by allowing you to offer first-response medical treatment without the delay of initiating an insurance claim. It can also help protect against lawsuits, because an injured person may be less likely to sue for bodily injury if their medical expenses have been paid promptly.



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Have you heard about ThinkHR, the newest addition to our existing HR Business Consulting service?

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HR Live | HR Comply | HR Learn | Mobile App

If you are interested in learning more about ThinkHR, please contact Louise Matheny at lmatheny@morrisgarritano.com.

TOP FIVE WAYS TO BEAT HEAT ILLNESS

Guest Contribution by: State Compensation Insurance Fund

Summer is on the way and with it warmer temperatures that can be deadly for outdoor workers. Each year, dozens of workers die and thousands more become ill from working in extreme heat. But, heat illness is also preventable. Here are five steps you can take to protect your employees and still get the job done when temperatures soar.

Step 1 – Hydration

For proper hydration, plan for one quart of water per hour for each employee. For a ten person crew working an eight hour shift, that's 20 gallons of water. If you can't provide the water all at once, make sure you have a plan to replenish it throughout the day, and encourage your employees to drink it. The water should be clean and cool and kept as close as possible to workers.

Step 2 – A shady respite

Shade should be available to employees anytime upon request and is required when outdoor temperatures exceed 80 degrees Fahrenheit. Like water, shade also must be as close as possible to your workers and there must be enough to comfortably accommodate anyone that may be taking a break or rest period. If nearby buildings or trees can provide sufficient shade for your workers, encourage them to take advantage of that. If not, pop-up canopies, tents, or umbrellas can provide the needed protection from the sun. Employers also must ensure that bathroom facilities are available and in usable conditions. Employees are entitled to a cool-down rest period of at least five minutes if they feel in danger of overheating.

Step 3 – Heat illness training

Workers need to know how to manage their heat load and stay hydrated in hot weather. They also need to know the signs and symptoms of heat illness, how to identify it in coworkers, and the first aid measures to treat it. Make sure you and your employees are prepared to call 9-1-1 when an emergency situation – such as symptoms of heat stroke – occurs.

When temperatures reach or exceed 95 degrees, some industries are required to implement added protections, such as increased monitoring for alertness and heat illness symptoms among workers. Even if your industry isn't covered by this regulation, you may still use these protections.

Step 4 – Acclimating to the conditions

It can take around 14 days for workers to adjust to the heat. Help your workers ease into the hot conditions by reducing workload or shift length, and then gradually increasing the duties as people get more used to the conditions. Closely monitor new staff, those returning from extended leave, and those moving to the area from a cooler climate.

Step 5 – Have it in writing

Having a plan to address heat illness is essential for the health of your employees. It's also required by law, must be in writing, and be available at the worksite. The plan educates workers on the importance of hydration, heat illness symptoms, managing work intensity, clothing layers, and breaks to reduce heat load. It also ensures workers know their rights to a cool down rest period of at least five minutes when they feel heat illness symptoms.

Water, shade, training, acclimatization, and a written plan will help your employees keep their cool and beat the heat.

Find more information on heat illness prevention at [SafeAtWorkCA.com](https://www.safeatworkca.com), State Fund's safety resource center.

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EYE STRAIN 101

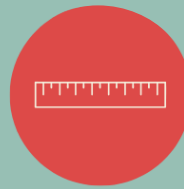
Odds are, throughout your day, you are staring at some type of screen - work computer, home laptop, smartphone, etc.

The American Academy of Ophthalmology (AAO) cautions, "Focusing on tiny type for hours on end can cause eyestrain, fatigue and headaches. Staring at screens for long periods can also leave eyes parched, red and gritty-feeling."

The AAO recommends taking the following steps to prevent eyestrain:

KEEP YOUR SCREEN AT ARM'S LENGTH

When working with a desktop computer, keep the screen about 25 inches from your face, or about an arm's length away. If doing so makes the words on the screen appear too small, adjust the font size.



MIND THE GLARE

Screen glare from lighting can irritate your eyes; try a matte filter for your screen to help diminish glare.

GIVE YOUR EYES REST TIME

AAO notes that eyestrain occurs after long and continuous screen use, and recommends workers follow the "20-20-20 rule": Take a break every 20 minutes by looking at something 20 feet away for 20 seconds. This will allow your eyes time to relax.



AVOID DRY EYES

Try using a personal humidifier at your desk to help keep your eyes moisturized. Additionally, keep eye drops handy to lubricate your eyes if they feel particularly dry.

PAY ATTENTION TO LIGHTING

If your screen is too bright, your eyes have to work harder. Adjust your screen's brightness, as well as the lighting in your office or home, to reduce eyestrain.



IF THESE STEPS DON'T HELP, THE AAO RECOMMENDS SEEING AN OPHTHALMOLOGIST.

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We are proud and honored to once again be named one of Pacific Coast Business Times' Best Places to Work on the Central Coast! We have an amazing group of people that work hard every day for their clients and their coworkers and we are lucky that we get to have them on our team!



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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.

