



# HHRAM Herald

Summer 2009  
[www.hhram.org](http://www.hhram.org)

Healthcare Human Resources Association of Minnesota - An Affiliated Chapter of ASHHRA -  
American Society for Healthcare Human Resources Administration & American Hospital Association

## Letter from the President

*By Becky Thiesfeld*

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As you know, one key goal for 2009 was to continue to bring you relevant education and networking opportunities. We have an excellent line up this year! Thanks to Sarah Carlson we had an exceptional spring conference and were thrilled to have such a great turnout. Our fall conference plans are well on their way and it is looking phenomenal. Kim Carlson, Karmen Reid and Sarah Fredrickson are the conference planners and you will find more information in the newsletter, as well as registration at [www.hhram.org](http://www.hhram.org).

Another key initiative was to partner with MOLN on creating a culture of safety. This collaboration has expanded and HHRAM is now a partner with the Minnesota Hospital Association who is focusing on a culture of safety.

If you have not yet logged onto our new HHRAM website; I strongly encourage you to do so. Thanks to Marit Brock we have a website with great resources and excellent networking opportunities. There is a new chat feature - which we encourage everyone to use. The more people who use it - the more value we

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*Congratulations to Kellie Weller, winner of the 2009 HHRAM Scholarship!*

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## Disability Awareness: Equally Important for Employees and Employers

*By Dennis Donahue and Dan Gowen*

Along with the sounds of spring, May also brings Disability Insurance Awareness Month in the United States. Many people may not be aware that three of every ten workers entering the workforce today will suffer a disability before retiring<sup>1</sup>. The vast majority of those disabilities are not work related so workers' compensation insurance would not provide protection. Further, Social Security disability insurance approval rates declined in 2007 to 37.6%, the lowest point in the history of the program<sup>2</sup>. While many employers provide some type of disability coverage - short term, long term, or both - many employees do not take advantage of the availability of the coverage.

Please see *Disability* on page 5

## ASHHRA Update

*By Karmen Reid, ASHHRA Liaison and ASHHRA Board member*

HHRAM signed its 3-year affiliation agreement with ASHHRA (American Society of Healthcare Human Resources Administration). This affiliation is important as it allows us to use ASHHRA tools and gives support and guidance to our chapter. For example, in May, I attended ASHHRA's Chapter Leadership Conference. This is a training program for chapter leaders and leaders-to-be. There was a lot of networking and comparisons of "best practices". I was proud that Minnesota continues to be one of the strongest chapters in the country.

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*"ASHHRA offers scholarships of up to \$1,500 to attend the annual conference in Chicago."*

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Another tangible benefit of being an affiliated chapter is that we get to compete for Chapter Management awards. We will be striving for the top award again this year. If we achieve it, we will receive 4 ASHHRA memberships and \$1,000 that we turn back to the general budget. Teresa Jacobson, past president will be submitting our 2008 information in soon. We will also be submitting names for Outstanding Chapter Achievement and Outstanding Chapter Officer. This gives us recognition from our peers and within our own organizations, for all the work you do.

ASHHRA scholarships are another huge benefit. ASHHRA will be awarding scholarships to an HR professional from each ASHHRA region to attend the 2009 annual conference in Chicago. This scholarship is \$1,500 this year (up from \$1,000) and goes towards conference registration and/or travel. If you are interested, please check out the requirements and application form at [www.ashhra.org](http://www.ashhra.org). The deadline is June 30. You don't have to be an ASHHRA member to apply.



*Check out the new features at [myashhra.org](http://myashhra.org). Some items are available to members and non-members*

One thing I learned at the May conference is that ASHHRA is trying to reach out to non-hospital health-care human resources professionals. At the annual conference, there will be sessions geared to non-hospital attendees. Watch for information to follow on this.

Please try to attend the annual conference in Chicago on November 1-3. . Registration materials are on the website: [www.ashhra.org](http://www.ashhra.org). Also, check out the website to see all the new services that ASHHRA provides, and consider joining if you are not already a member.

## Two New Minnesota Health Benefits-Related Laws

*By Debra J. Linder & John H. Merkle*

Two laws were enacted in Minnesota recently relating to health benefit plans that may affect you as an employer.

The first, which should be attended to right away, requires employers to provide a report to each employee with his or her annual W-2 informing the employee of the amount of health insurance premiums paid by the employee with pre-tax dollars through a Section 125 plan (also known as a cafeteria plan or flexible benefits plan) beginning with premiums paid in 2009. The first reports will be due in January 2010, but you should coordinate with your payroll service and benefits vendors now so that the information is readily available at reporting time.

Please see *New Laws* on page 4

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*Is now the time for you to  
advance your leadership  
skills by joining the  
HHRAM Board?*

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## Welcome new HHRAM Leaders!

The HHRAM Board would like to welcome the newest organizational leaders!

Kellie Weller has agreed to take over the responsibility of HHRAM Scholarship Coordinator beginning July 1, 2009. Kellie is the HR Manager for Tri-County Hospital in Wadena, and also the recipient of the 2009 HHRAM Scholarship.

Jackie Bubolz has assumed the role of Region Director for Region 1. Jackie is the HR Manager for Saint Mary's Innovis Health in Detroit Lakes.

Are you ready to take on a leadership role with HHRAM? The board is currently recruiting Region Directors for regions 2 and 5. In addition, we are recruiting a Marketing Director to begin January 1, 2010. The Marketing Director is a two-year term filled with a lot of fun and great opportunities to be creative!

If you would like to learn more about leadership positions please contact Becky Thiesfeld, HHRAM President  
[rthiesfeld@cuyunamed.org](mailto:rthiesfeld@cuyunamed.org)

## Preparing your workforce for the H1N1 Flu Virus

By Alice Berquist

Although it is too early to know how significant the threat of the H1N1 flu virus will be for U.S. employers, scientists are in agreement that it is only a matter of time until a global influenza pandemic occurs. Employers are well advised to review their existing policies, consider whether they would be adequate to deal with a pandemic, become familiar with available resources and consider whether they might want to adopt a Business Continuity Plan. The following are the policies that you should review:

Safety Policies and Procedures, Leave of Absence Policies, FMLA policies, Paid Time Off Policies, Attendance Policies, Telecommuting Polices, Disaster Preparedness Policies, Travel Policies

When you review the policies, consider how they currently address the following issues, and whether you might want to consider revising them:

1. When does your organization provide paid or unpaid time off for an employee who has the flu?
2. How would your policies treat an employee who you have required to stay home due to being exposed to the flu or having travelled to a location where the virus is widespread.
3. How would your policies treat an employee who stays at home when a school or day care is closed, or when the employee is too afraid of contagion to come to work?
4. Do your policies provide for flexible work schedules or telecommuting which might be necessary in an influenza pandemic?
5. Do your disaster preparedness policies address these issues?

**Note: If your workforce is unionized, you will need to consider the collective bargaining agreement and your obligation to bargain with the union before changing a policy or practice.**



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*For the full text of this article including links to government websites please visit*

*[http://www.felhaber.com/events/articles/090504\\_Pandemic.asp](http://www.felhaber.com/events/articles/090504_Pandemic.asp)*

**The deadline to receive the Early Bird registration special rate for the Fall Conference in Rochester has been extended through Thursday, July 3rd.**

**To sign up for the conference go to [www.hhram.org](http://www.hhram.org) and click on the link to pay by credit card or print off the brochure and mail your registration form in.**



*Dave Tabert is retiring in July 2009.  
Thank you Dave for your contributions  
to the future of HHRAM!*

## HHRAM is Building a Sample Library

Many HHRAM members have been requesting a library for sample forms, job descriptions and policies focused on healthcare human resources needs.

Our new website gives us the functionality to develop this library but we need your help!

If you have a great document you would like to share with other HHRAM members please send it to Marit Brock, HHRAM Marketing Director [mbrock@mngastro.com](mailto:mbrock@mngastro.com)

Watch for more information about this exciting member benefit!

### *President's letter from page 1*

will create for our members. For the ASHHRA members, make sure you check out the new resources available to you at [www.ashhra.org](http://www.ashhra.org).

We would like to congratulate Kellie Weller who is the recipient of the 2009 HHRAM scholarship. Kellie has now volunteered to be the coordinator of the scholarship committee; thank you Kellie!

After many years of commitment and service to the HR profession and HHRAM, Dave Tabert has announced his retirement. On behalf of the HHRAM Board, I would like to thank Dave for all of his time, energy and accomplishments and wish him all the best in his retirement.

As you can see; there is a theme within HHRAM - a spirit of professionalism, collegiality, friendship and volunteerism that is second to none. I would like to thank the board and all of the HHRAM volunteers for their dedication and service. Without them we would not have the opportunities we currently enjoy as members of this vibrant organization. As always, we encourage you to get involved and share your time and talents with HHRAM.

Looking forward to seeing all of you at the fall conference!

Becky Thiesfeld  
HHRAM President

### *New Laws from page 2*

The second, which takes effect on July 1, 2009, requires an employer with more than 10 full-time equivalent employees (except employers who offer a group health insurance plan or group self-insured plan or who have no employees who would be eligible to participate in a Section 125) to establish and maintain a Section 125 that allows employees to purchase on a pre-tax basis individual or employer-based health coverage. However, an employer may opt out of the requirement by filing a form with the Minnesota Department of Commerce on a form that is on its website. The new law is aimed at making health coverage available on a cost-reduced basis to employees of employers who don't make health coverage available to their employees.



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### Impact On Employers

While many employers are keenly aware of the premiums they spend on medical insurance for their employees, relatively few are as focused on their disability premiums. The direct cost to the employer tends to be much smaller, but many forget the indirect costs that a disability-related absence can bring. Lost productivity due to an employee on disability can range from three to seven times the direct cost of the disability.

### Plan Design

Many employees do not know how much money they would need should a disability arise. They hope that their employer offers a plan design that provides adequate coverage. But does the employer know what is adequate? A good rule to follow is that most disabled employees need a benefit that is equal to 55% to 75% of their pre-disability earnings, on an after-tax basis. This will usually provide the disabled employee with enough income to keep up with monthly expenses, while at the same time it provides an incentive to return to the workforce.



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A popular design for employers is to offer a core/buy-up plan. In this arrangement, the employer offers a base level disability benefit to all eligible employees to ensure that everyone has some amount of income protection. The employee then has the option to buy additional disability insurance based on his or her own needs. Another design trend that has started to emerge is one in which the employer offers the short-term disability (STD) plan on a voluntary basis and if the employee elects the STD plan, the employer pays the full premium for the long-term disability (LTD) plan.

For those employers that have a small number of highly compensated employees (HCEs), the limits on the group plan may provide those HCEs with insufficient income to support themselves in the event of a disability. Rather than subject the group plan to increased benefit maximums and higher premiums by including these HCEs, it would be wise to help those employees find individual disability policies to supplement the group plan.

### Communicating The Benefit

The most common reason employees give for not purchasing disability insurance is that they feel “it will never happen to me.” But more than 51 million Americans are classified as disabled, representing 18% of the population,<sup>3</sup> so there is a disconnect. Disability insurance does not appear to resonate with many employees. For that reason, it may be wise to consider renaming the benefit in order to emphasize its true purpose. Employers may want to try referring to it as “income protection.” When employees are asked how they plan to protect their income in the event they become disabled, the need for insurance may be clearer.

### Disability Incidences Increasing

History has shown that in economic downturns, the incidence level of disability claims increases and tends to outlive the length of the recession for another one to two years. As people are pressured by their financial situation, the incidence of mental health issues increases, which can lead to a disability claim. This, along with an aging workforce, leads us to believe that the number of people going out on disability will continue to rise.

Many employees don't understand what is at stake in the event of a long-term disability. While employers are not actively looking to spend more on their benefit programs, ensuring that disability coverage is available and adequate in terms of both income replacement and claim management will ensure that employees have financial protection while minimizing the impact to the employers' overall direct and indirect costs. Having the right insurance partner to help navigate the disability landscape is very important.

<sup>1</sup> Social Security Administration, Fact Sheet, January 31, 2007

<sup>2</sup> Social Security Administration

<sup>3</sup> U.S. Census Bureau, Public Information Office, November 2008

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