

# Health Matters

by Nancy Glicksman



A NEWSLETTER CONCERNING COVERAGE AND BENEFITS

VOLUME 1 . ISSUE 2

## ***Health Care Reform***

On March 23, 2010 President Obama signed into law the Patient Protection and Affordable Care Act.

It is a very comprehensive law that specifies certain time periods in which major provisions take place. Some of the earlier provisions include the following:

Dependants will be able to remain covered by their parents' health insurance policies up to their 27th birthday. Although this is effective as of September 23, 2010, some of the companies are already putting this in place.

Insurance companies will not be able to impose annual and lifetime maximums on policies

Insurance companies will not be able to deny coverage to children under the age of 19 years with preexisting conditions.

There are several other changes, along with subsequent time guidelines.

Please refer to [www.irs.gov](http://www.irs.gov) for more detailed information on some of the provisions of this law.

## ***Small Business Tax Credit***

This new law also gives a tax credit to certain small employers that provide health insurance to their employees beginning with the 2010 tax year.

This credit is up to 35% of the employer's contribution to the health insurance for his/her employees.

There is also up to a 25% credit for small nonprofit organizations.

In order to qualify for this credit, an employer must meet the following conditions:

Have fewer than 25 full time employees for the tax year.

The average annual wages of full time employees must be less than \$50,000 per year.

The employer must pay at least 50% of the premium for the employee.

To learn more about the this credit and how to claim it, please go to [www.irs.gov](http://www.irs.gov)

## ***Kaiser Family Foundation*** ([www.kff.org](http://www.kff.org))

This is a wonderful resource that has a news digest with articles to help you understand the health care legislation. You can browse by topic and also view the implementation timetable for when the major provisions will be taking place. This site also focuses on Medicare changes.

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## *Employee Theft on the Rise In Recession*

Why you need protection

With businesses scrambling to survive as the recession dampens revenues, freezes credit and stalls growth, employee theft may serve as an increasing drag on profitability that you cannot ignore.

Employees may be motivated by events going on in their own lives such as a gambling or drug problem, threatened foreclosure on their home, or a greedy desire for a different lifestyle.

They may rationalize their theft by deciding their employer has treated them poorly, that the business will continue to be profitable despite their thefts, or that a kickback is not “really” taking anything from the firm.

### *Claim scenarios*

Embezzlement -\$244,000 loss

An employee altered company deposit slips after the owner of the company had approved them. The employee would prepare 2 deposit slips: one depositing funds into the company’s account, the other depositing funds into the employee’s bank account. The embezzlement continued for 3 years because the employee handled both bookkeeping and deposit activities for the company.

Inventory Loss -\$125,000

Employees of a Wholesale Operation were selling inventory “out the back door.”

They cooked up an elaborate scheme to steal and dispose of large quantities of equipment and merchandise for their own gain. This crime was easy to commit because the employees usually had the company trucks at their disposal.

### *Preventive Measures:*

Background checks are important for new and prospective employees.

High-tech security measures such as security cameras, including those connected to:

Cash register monitoring systems

Checking of credit and debit card sales and receipts as well as supply & equipment records

Regular auditing of the books

Having sound employee dishonesty insurance coverage

Another risk you may be exposed to is your employees stealing from your customers –you may want to consider a Bond which will protect you from this exposure.

This article was written by one of my associates, who specializes in business, homeowners and automobile insurance. If you are interested in getting more information or would like to contact her directly, please let me know. Thanks