

Marshall & Sterling

HUMAN SERVICES & SCHOOLS
SPECIALTY INSURANCE PROGRAM



The Human Services & Schools Specialty Insurance Program from Marshall & Sterling provides a risk management path for you to follow including resources on safety, operations and regulatory compliance. The articles enclosed are packed with information to use in your everyday operations. Contact me with any questions!

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DOL New Overtime Payment Rules Series: Action Steps

On **May 18, 2016**, the U.S. Department of Labor (DOL) announced a [final rule](#) regarding overtime wage payment qualifications for the “white collar exemptions” under the Fair Labor Standards Act (FLSA).

The final rule increases the salary an employee must be paid in order to qualify for a white collar exemption. The required salary level is increased to **\$47,476** per year and will be automatically updated every three years. The final rule does **not** modify the duties test employees must meet to qualify for a white collar exemption.

Employers will need to comply with this rule by **Dec. 1, 2016**.

ACTION STEPS:

- ✓ Employers must become familiar with the new rule and identify which employees will be affected. Employers should reclassify employees as exempt or non-exempt, as necessary, by **Dec. 1, 2016**.
- ✓ Employers should also consider communicating any work schedule changes to affected employees before the date mentioned above.
- ✓ Finally, employers should evaluate whether implementing new timekeeping practices and training for managers and supervisors on the new requirements is necessary.

Just Press Play!

View our Risk Management video collection from Marshall & Sterling

What to Expect
When Conducting an
Insurance Review

Child Welfare Specialty
Insurance Program

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Do you know what to expect when conducting an insurance review? Irene Jones, Specialty Program Director at Marshall & Sterling Insurance, breaks it down for you - sharing the top traits you should be looking for in an insurance agent, and what information you need to have on hand to better further that discussion. [Click to watch!](#)



Reporting Workers' Compensation Claims

Workers' compensation laws are often misunderstood because they can vary significantly between states. If your employee reports an injury and you are unsure of what steps to take, you are not alone. However, regardless of your company's geographical location, the first two days after an employee gets injured on the job are always the most important.

It is important to act quickly and take action immediately for legal reasons, but also because studies show that the faster you initiate the workers' compensation process after an injury, the lower the ultimate cost of your claims. Additionally, waiting more than 48 hours after an incident occurs gives the injured party and witnesses time to forget crucial details about what happened. It also means employees' recollections may become skewed from opinions of outside parties, like an attorney, or from talking to one another.

You can help protect your company and save money by taking the following steps in the 48 hours after an employee reports an injury:

Refer employee for medical attention

If the injury is an emergency, seek immediate care for the employee. All state workers' compensation laws allow the employee to see any doctor in an urgent situation. If the circumstance is not an emergency, refer the employee to a medical provider within your company's network.

Never prevent an employee from getting medical attention, even if you feel the injury is not serious.

Perform an assessment or accident investigation

Visit the place where the injury occurred and make notes of the surrounding environment. Speak with employees who witnessed the event or who work in close proximity to where the incident occurred.

Be thorough, and also be sure to gather consistent information for all incidents. It is important to begin this investigation within the first 48 hours so that details of the accident or injury are fresh in the minds of employees.

How you respond in the days immediately following a workplace injury is extremely important not only for claim management but also for preventing future incidents.

Immediately ensure the injury or accident will not happen again

After investigating the site, take the necessary steps to make certain the incident will not occur again. For example, block off the area in question if there looks to be a spill or other unsafe situation.

Report the injury

According to the department of labor, several reports must be generated when an injury occurs in the workplace. Complete a First Report of Injury or Occupational Disease form as required by your state workers' compensation law. The incident should also be reported to the HR department, the employee's direct supervisor and the medical provider who saw or treated the employee.

Report the incident objectively—do not skew information gathered from the scene or from witnesses in any way, even if your preliminary instincts tell you the claim is not legitimate.

Inform employee about company policies on returning to work

Not only is it crucial to review work restrictions and leave procedures, but it is also imperative that you inform the employee about the possibility of transitional-duty jobs that would suit their needs during the injury recovery period.

Submit the workers' compensation claim

This is also an important step to complete quickly because your insurance provider could give you valuable information about medical care, make timely payments and begin his own investigation into the incident as necessary.

In addition to these points, make sure you become familiar with the workers' compensation laws in your state(s) of operation. Your state's workers' compensation board will help you stay in compliance with the legal timelines in effect in your state, which will ultimately help save your company money.



Why Do I Need Business Interruption Insurance?

In today's volatile business environment, preparation is essential to survival. Is your business prepared to weather the storm if disaster strikes? If a fire causes the facility to be temporarily unusable, what would you do?

Ideally, you would move to a temporary location while your permanent place of business is being repaired, but traditional Property Insurance does not cover this move or the loss of income while the permanent business location is being repaired. Ill-prepared businesses are often forced to completely shut down operations during repair, which can do irreparable damage to their brand and leave employees without work for extended periods of time. To mitigate this risk, consider adding Business Interruption coverage to your Property Insurance policy.

Originally established for the manufacturing industry, Business Interruption Insurance has evolved into an essential risk transfer tool for all industries. Coverage provides resources that aid in recovery and can help get a company back on its feet quickly.

This invaluable, though often overlooked, coverage safeguards your business by covering operating expenses and lost income while the permanent business location is being repaired. This will allow you to maintain payroll and, if needed, reallocate current employees to help with the cleanup effort.

A small business owner's restaurant in Mississippi was devastated by Hurricane Katrina, leaving her with a blown-out ceiling, massive equipment damage and an unsalvageable building security system.

"The Business Interruption Insurance paid for the 23 days we were down," Joy Hoda told the Insurance Information Institute. "Just by getting that money, it wasn't so hard for us to make our payroll."

It's not to say that Joy did not sustain a loss; her Business Interruption Insurance reimbursed her for everything she would have made, minus any expenses the firm would have incurred. What the insurance allowed her to do was continue to pay her staff, meet her credit obligations and quickly reopen her business to help serve the people of her neighborhood.

Business Interruption Insurance doesn't just assist small businesses in meeting payroll and bills during a crisis; according to data from the Institute for Business Home and Safety, 25 percent of businesses never reopen following a disaster or interruption.

For larger businesses, Business Interruption Insurance can provide employees and shareholders peace of mind. Shareholders especially like to know a business' profits are protected in case of fire, tornado, hurricane or other disaster.

Don't wait until your business experiences a significant loss to consider this vital business insurance protection. Contact one of our Human Service & School Specialty Insurance team members at (800)782-2926 to review how this type of coverage can fit into your overall business insurance portfolio.